

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>May 30, 2007</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>1997-239-C - -</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		<u></u>

SUBJECT:

DOCKET NO. 1997-239-C- Universal Service Fund - Discuss with the Commission a Letter Stating Specific Issues to be Explored Filed by Frank R. Ellerbe, III on Behalf of the South Carolina Cable Television Association, CompSouth, Time Warner Telecom of South Carolina, LLC and NuVox Communications, Inc.; M. John Bowen, Jr. on Behalf of South Carolina Telephone Coalition; Nanette S. Edwards on Behalf of the Office of Regulatory Staff; Patrick W. Turner on Behalf of BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina; and United Telephone Company of the Carolinas d/b/a Embarq

COMMISSION ACTION:

Mr. Chairman, we have received comments in response to our Order of April 23, 2007, which asked the parties to identify issues in the Universal Service Fund docket. Now that this Commission has had the opportunity to review these comments, I think it is appropriate to offer a motion on this matter. Mr. Chairman, I would note that Order No. 2001-419, dated June 6, 2001 rejected proposals to update cost studies in the Universal Service Fund Docket, based upon the fact that the cost studies were based upon forward looking models or embedded cost. This Commission held that these models and the embedded cost would not result in a significant change in the cost per line calculation over "a relatively short time frame of four to five years." We are past this four to five year window, which leads me to believe that it would be reasonable to update the cost studies and the resultant cost per line used in the calculations for the Universal Service Fund. Because of these reasons Mr. Chairman, I move that we update the cost studies and the resultant cost per line used in the calculations for the Universal Service Fund. As a preliminary matter, I move that we allow the parties thirty days from the date of our Order in this matter to file briefs describing their positions regarding this update. In addition, Mr. Chairman, I also move that the parties provide written comments concerning the four administrative matters suggested for consideration in this USF Docket by the April 3, 2007 letter of the Office of Regulatory Staff. These comments would also be provided within thirty days of the date of our Order in this matter. I believe that these matters, consisting of (1) changing the fund year to match the fiscal year, (2) considering whether the Fund should be adjusted semi-annually, (3) establishing a time limitation for identifying reporting errors regarding overpayments and (4) charging a fee for carriers filing USF reports late certainly need to be presented in more detail to this Commission so as to aid our understanding as to their potential usefulness to the administration of the Universal Service Fund.

PRESIDING	<u>Hamilton</u>				Session:	Regular
	MOTION	YES	NO	OTHER	Time of Session	<u>2:30 p.m.</u>
CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED	<u></u>
FLEMING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Absent	APPROVED STC 30 DAYS	<u></u>
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		ACCEPTED FOR FILING	<u></u>
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		DENIED	<u></u>
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		AMENDED	<u></u>
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		TRANSFERRED	<u></u>
WRIGHT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		SUSPENDED	<u></u>
					CANCELED	<u></u>
					SET FOR HEARING	<u></u>
					ADVISED	<u></u>
					CARRIED OVER	<u></u>
					RECORDED BY	<u>SCHMIEDING</u>

Commissioner Fleming was on Family Sick Leave